

HOUSE BILL NO. 561

INTRODUCED BY J. MUSGROVE

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4 A BILL FOR AN ACT ENTITLED: "AN ACT REVISING COUNTY DEBT LIMITS; OUTLINING THE
5 INFORMATION TO BE INCLUDED IN A BOND QUESTION SUBMITTED TO THE ELECTORS; REQUIRING
6 TWO-THIRDS APPROVAL FOR THE ISSUANCE OF THE BONDS OR INCURRENCE OF OTHER
7 INDEBTEDNESS EXCEEDING THE LIMITATION IF MORE THAN 30 PERCENT BUT LESS THAN 40
8 PERCENT OF THE QUALIFIED ELECTORS VOTE; AMENDING SECTIONS 7-7-2101, 7-7-2237, 7-14-2524,
9 AND 7-14-2525, MCA; AND PROVIDING AN EFFECTIVE DATE."

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11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

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13 **Section 1.** Section 7-7-2101, MCA, is amended to read:

14 **"7-7-2101. Limitation on amount of county indebtedness.** (1) Except as provided in subsection (3),
15 a A county may not issue bonds or incur other indebtedness for any purpose in an amount, including existing
16 indebtedness, that in the aggregate exceeds 1.4% of the total assessed value of taxable property, determined
17 as provided in 15-8-111, within the county, as ascertained by the last assessment for state and county taxes.

18 (2) Except as provided in 7-7-2402 and 7-21-3413, a county may not incur indebtedness or liability for
19 any single purpose to an amount exceeding \$500,000 without the approval of a majority of the electors of the
20 county voting at an election as provided by law.

21 (3) (a) A county may issue bonds or incur other indebtedness for any purpose in an amount, including
22 existing indebtedness, that in the aggregate exceeds 1.4% but is no more than 3% of the total assessed value
23 of taxable property, determined as provided in 15-8-111, within the county, as ascertained by the last assessment
24 for state and county taxes, if the bonds or other indebtedness are authorized at a special election that is
25 conducted by mail ballot, as provided in Title 13, chapter 19, at a special election held in conjunction with a
26 regular or primary election, or at a general election at which the question is submitted to the registered electors
27 of the county pursuant to 7-7-2223.

28 (b) The question submitted to the registered electors of the county pursuant to subsection (3)(a) must
29 include the purpose for which the bonds are to be issued, the amount of the bonds, the term of years for which
30 the bonds are to be paid, and the percentage exceeding 1.4% of the total assessed value of taxable property that

1 is necessary to issue the bonds.

2 (c) Approval or rejection of the measure is determined pursuant to 7-7-2237.

3 ~~(3)~~(4) This section does not apply to the acquisition of conservation easements as set forth in Title 76,
4 chapter 6."

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6 **Section 2.** Section 7-7-2237, MCA, is amended to read:

7 **"7-7-2237. Percentage of electors required to authorize bond issue.** Whenever the question of
8 issuing county bonds for any purpose is submitted to the registered electors of a county at a general election, at
9 an election that is conducted by mail ballot, as provided in Title 13, chapter 19, or at a special election that is held
10 in conjunction with a regular or primary election, the determination of the approval or rejection of the bond
11 proposition is made in the following manner:

12 (1) determine the total number of electors who were qualified to vote in the bond election;

13 (2) determine the total number of qualified electors who voted in the bond election from the tally sheet
14 or sheets for the election;

15 (3) calculate the percentage of qualified electors voting at the bond election by dividing the number
16 determined in subsection (2) by the number determined in subsection (1); and

17 (4) when the calculated percentage in subsection (3) is 40% or more, the bond proposition is considered
18 approved and adopted if a majority of the votes cast were in favor of the proposition, otherwise it is considered
19 rejected; or

20 (5) except as provided in subsection (6), when the calculated percentage in subsection (3) is more than
21 30% but less than 40%, the bond proposition is considered approved and adopted if 60% or more of the votes
22 cast were in favor of the proposition, otherwise it is considered rejected; ~~or~~

23 (6) when the question before the electors is submitted pursuant to 7-7-2101(3) and the calculated
24 percentage of qualified electors in subsection (3) of this section is more than 30% but less than 40%, the bond
25 proposition is considered approved and adopted if two-thirds or more of the votes cast were in favor of the
26 proposition, otherwise it is considered rejected; or

27 ~~(6)~~(7) when the calculated percentage in subsection (3) is 30% or less, the bond proposition is
28 considered rejected."

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30 **Section 3.** Section 7-14-2524, MCA, is amended to read:

